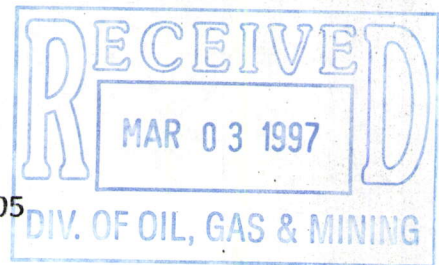


ROBERT E. COVINGTON  
CERTIFIED PROFESSIONAL GEOLOGIST NO. 1705  
P.O BOX 1845  
VERNAL, UTAH 84078



Ph.: 801/789/3233  
Fax 801/789/4560

February 27, 1997

Van K. Bullock  
4530 South Verbena #381  
Denver, CO 80237

Re: Ziegler Chemical & Mineral Corp.  
Tom Taylor Shaft No.3 Gilsonite Mine  
1/2 NE 1/4 Section 3, T10S-R24E  
Uintah Co., Utah U.S. Gilsonite Lse.U-0122694

Dear Sir:

Ziegler Chemical & Mineral Corporation has filed with the State of Utah a Notice of Intention to Commence Small Mining Operations. Under this plan an area not exceeding 5 acres of surface will be utilized. We intend to re-enter our old mine shaft No.3 located on lands in Section 3 in which you have an oil and gas lease.

This letter is written to give you notification. The mining plan contemplates mining to a depth of about 660' and along the Little Emma gilsonite vein in a northwest to southeast direction.

We intend to commence mining as soon as we have received approval from the State of Utah's Division of Oil, Gas & Mining and from the Vernal office of the BLM and the State District office in Salt Lake City.

Very truly yours,

A handwritten signature in cursive script that reads "Robert E. Covington".

ROBERT E. COVINGTON, CONSULTANT FOR:  
ZIEGLER CHEMICAL & MINERAL CORP.

cc: Gordon S. Ziegler, Jr.  
Norman R. Haslem  
Utah Division of Oil & Gas, Tony Gallegos  
Vernal District Office, BLM, Duane Depaepe  
Utah District Office, BLM, Stan Perkes, BLM